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LOUISVILLE & NASHVILLE RAILROAD COMPANY

7-1591041

908 W. BROADWAY • LOUISVILLE, KENTUCKY 40203 TELEPHONE (502) 587-5235

LAW DEPARTMENT

Date JUN 8 1977

Fee \$ 50-

June 7, 1977

ICC Washington, D. C.

Mr. Robert L. Oswald, Secretary  
Interstate Commerce Commission  
Washington, D. C. 20423

JUN 8 1977-10 15 AM

INTERSTATE COMMERCE COMMISSION

Dear Mr. Secretary:

There is transmitted to you herewith for filing and recordation, pursuant to Section 20c of the Interstate Commerce Act, duly executed counterparts of a Hulk Purchase Agreement dated March 1, 1977, from Louisville and Nashville Railroad Company, whose address is 908 West Broadway, Louisville, Kentucky 40203, addressed to and accepted by American Security Bank, N. A., as Trustee, whose address is 15th Street and Pennsylvania Avenue, N. W., Washington, D. C. 20013.

By this Hulk Purchase Agreement, the Louisville and Nashville Railroad Company has agreed to sell and American Security Bank, N. A., as Trustee, has agreed to purchase the Hulks described in Exhibit A thereto, a copy of which is attached hereto.

Attached hereto is a draft in the amount of \$50 payable to the Treasurer of the United States to cover the prescribed recordation fee for said Agreement.

This letter of transmittal is signed by an officer of the Louisville and Nashville Railroad Company designated for the purpose hereof who has knowledge of the matters set forth herein.

After recordation, please return the recorded counterparts of said Agreement to:

Mr. David M. Yearwood  
General Attorney  
Louisville and Nashville Railroad Company  
908 West Broadway  
Louisville, Kentucky 40203

*Counterparts received  
David M. Yearwood*

RECEIVED  
JUN 8 10 51 AM '77  
I.C.C. DIVISION BR.  
FEE OPERATION  
DAVID M. YEARWOOD  
GENERAL ATTORNEY

# HULK PURCHASE AGREEMENT

## EXHIBIT A

<u>Quantity</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Road Numbers</u>	<u>Purchase Price</u>	<u>Total Purchase Price</u>
60	50-Ton Box Cars	MON	1487	\$4,500	\$270,000
			1748		
		L&N	12121		
			12122		
			12165		
			12183		
			12352		
			12411		
			12501		
			12538		
			12700		
			46105		
			46106		
			46139		
			46152		
			46154		
			46163		
			46169		
			46180		
			46193		
			97180		
			97294		
			97317		
			97393		
			97410		
			97474		
			97537		
			97853		
			97883		
			97887		
			97930		
			98028		
			98229		
			98409		
			98411		
			98426		
			99762		
			99768		

<u>Quantity</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Road Numbers</u>	<u>Purchase Price</u>	<u>Total Purchase Price</u>
60	50-Ton Box Cars (cont'd)	L&N	99797 106510 106525 106530 106531 106535 106550 106555 106562 106563 106571 107180 108034 108430 108464 108481 108548 109214 109237 109301 109338 109386	\$4,500	\$270,000
21	70-Ton Box Cars	L&N	99661 100092 100110 100223 100334 100640 100729 101056 101085 101093 102023 102025 102031 102040 103116 103145 103166 103282 103551 103582 103591	4,500	94,500

<u>Quantity</u>	<u>Description</u>	<u>Rail- Road Prefix</u>	<u>Road Numbers</u>	<u>Purchase Price</u>	<u>Total Purchase Price</u>
8	100-Ton Box Cars	L&N	105002 105026 105028 105035 105037 105043 107516 107524	\$4,500	\$ 36,000
				-----	-----
					\$400,500

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## HULK PURCHASE AGREEMENT

Louisville and Nashville Railroad Company

March 1, 1977

Gentlemen:

Louisville and Nashville Railroad Company, a corporation organized under the laws of Kentucky (the "Seller"), owns the railroad equipment described in Exhibit A hereto (collectively the "Hulks" and individually a "Hulk"). The Seller desires to sell the Hulks and American Security ~~and Trust Company~~ <sup>BANK</sup> N.A. (the "Buyer"), acting as trustee for a trustor under a Trust Agreement dated as of the date hereof, desires to purchase the Hulks for the Purchase Price set forth in Exhibit A (the "Purchase Price"). *OK*

The Seller will, from time to time, prior to delivery thereof to the Builder for reconstruction, as provided in the Reconstruction and Conditional Sale Agreement (the "Conditional Sale Agreement") dated as of the date hereof among the Buyer, First Security Bank of Utah, National Association, not in its individual capacity but solely as agent (the "Agent") under a Participation Agreement (the "Participation Agreement") dated as of the date hereof, and L&N Investment Corporation (the "Builder"), deliver to the Buyer a Bill or Bills of Sale transferring title to a group of Hulks and warranting that at the date of such Bill or Bills of Sale the Seller had legal title to such Hulks and good and lawful right to sell the same and that title to such Hulks transferred to the Buyer by such Bill or Bills of Sale was free of all claims, liens, security interests, security titles and other encumbrances of any nature whatsoever except for the encumbrances expressly set forth in the Hulk Encumbrance Certificate (as hereinafter provided) and a Hulk Encumbrance Certificate dated as of the date of such Bill or Bills of Sale. On or after the date of such Bill or Bills of Sale, the Seller will deliver the Hulks in such group to an authorized representative of the Buyer at such point or points within the United States of America as shall be specified by the Seller. The sale and delivery of the Hulks pursuant to this Agreement shall commence as soon as practicable and shall be completed on or before such date as shall permit the completion of reconstruction of each Hulk by October 1, 1977.

Notwithstanding anything to the contrary contained herein, the Buyer shall have no obligation to accept any Hulk, or to pay the Purchase Price therefore, which is delivered hereunder after (i) any event of default as defined in Article 14 of the Conditional Sale Agreement or any event (including the commencement of any proceeding or the filing of any petition of the nature specified in subparagraphs (c) and (d) of Article 14 thereof) which, with lapse of time, failure to take affirmative action and/or demand, could constitute an event of default thereunder shall have occurred, (ii) the Buyer shall have delivered written notice to the Seller that any of the conditions contained in Paragraph 7 of the Participation Agreement have not been met or waived, or (iii) the sum of (a) the difference between (1) the aggregate Purchase Price for all Hulks theretofore delivered and accepted hereunder plus the aggregate Reconstruction Cost therefor under the Conditional Sale Agreement and (2) the aggregate amount of funds theretofore disbursed by the Agent from amounts constituting Available Investor Funds (as defined in the eighth paragraph of Article 3 of the Conditional Sale Agreement) in payment of a portion of such aggregate Purchase Price and Reconstruction Cost pursuant to the Conditional Sale Agreement and (b) the Purchase Price of the next Hulk to be delivered hereunder plus the Reconstruction Cost thereof under the Conditional Sale Agreement, would exceed the sum of (x) \$600,000 and (y) the amount of Available Investor Funds then on deposit with the Agent under the Participation Agreement and held for disbursement to the Seller and the Builder on a Closing Date pursuant to the eighth paragraph of Article 3 of the Conditional Sale Agreement.

The Buyer at the times hereafter specified will pay to the Seller the Purchase Price of each Hulk in each group subject to all the terms and conditions of this Agreement, including without limitation the receipt by the Buyer of (a) the Bill or Bills of Sale with respect thereto specified in the second and fifth paragraphs hereof, (b) a Certificate or Certificates of Acceptance signed by the Buyer's authorized representative stating that the Hulks in such group have been delivered to and accepted on behalf of the Buyer, (c) a written opinion of counsel for the Seller dated the date of such Bill or Bills of Sale, addressed to the Buyer and stating that such Bill or Bills of Sale are valid and effective to transfer the Lessee's title to such hulks to the Buyer, and (d) the Hulk Encumbrance Certificate with respect thereto specified in the fifth paragraph hereof.

The Hulk Encumbrance Certificate with respect to each group of the Hulks shall be dated as of the date of the Bill or Bills of Sale for such group of Hulks and shall expressly set forth, as of such date, the information specified in the last sentence of subparagraph (f) of Paragraph 3 of the Participation Agreement. Each such Bill of Sale shall contain the following information with respect to each type of Hulk included in the group of Hulks covered thereby: quantity, description, the Seller's identifying numbers and place of delivery. Subject only to the conditions set forth in the second paragraph hereof and in Paragraph 7 of the Participation Agreement, the Buyer will pay the Purchase Price of each Hulk delivered and accepted as aforesaid to the Seller either on (i) the Closing Date relating to such Hulk fixed as provided in the Conditional Sale Agreement or (ii) October 20, 1977, whichever is earlier.

The Buyer may assign and/or transfer any or all of its rights under this Agreement and/or any or all of its rights to possession of any of the Hulks. Any such assignment or transfer may be made by the Buyer without the assignee or transferee assuming any of the obligations of the Buyer hereunder. The Buyer and the Seller acknowledge that such assignment or transfer is contemplated. All of the rights of the Buyer hereunder shall inure to the benefit of the Buyer's assigns.

Notwithstanding the delivery of any Bill or Bills of Sale hereunder, the Seller agrees that all responsibility with respect to any Hulk covered by such Bill or Bills of Sale, its use and operation and risk of loss thereof, shall remain with the Seller until such Hulk is delivered to and accepted by the authorized representative of the Buyer, as provided above, and the Seller agrees to indemnify and hold the Buyer harmless from any claim made against the Buyer by reason of the transfer of title to the Hulks prior to such delivery and acceptance or with respect to the validity of such title, free from all claims, liens, security interests, security title or encumbrances of any nature other than those of the Buyer at the time of such delivery and acceptance. Upon such delivery and acceptance, all responsibility and risk of loss with respect to such Hulk shall pass to the Buyer.

In the event that any Hulk is not so delivered to the Buyer after the date of any Bill or Bills of Sale with

respect thereto the Buyer will assign to the Seller, without warranty of any kind, whatever right, title and interest the Buyer may then have in such Hulk and such Hulk shall thereafter be excluded from the provisions of this Agreement.

The Seller hereby represents and warrants to the Buyer, its successors and assigns, that (i) this Agreement was duly authorized by it and lawfully executed and delivered for a valid consideration, the performance of this Agreement will not conflict with any provision of law or with its Charter or By-laws or of any agreement binding upon it and (assuming valid authorization, execution and delivery by the Buyer) this Agreement is, in so far as it is concerned, a valid and existing agreement binding upon it in accordance with its terms as they are now in force; and (ii) no approval is required from any regulatory body with respect to the entering into or performance by it of this Agreement.

The Seller hereby covenants and agrees with the Buyer that not later than the date of payment for any Hulk, the Seller will discharge in full all obligations securing encumbrances with respect thereto (which encumbrances, if any, are set forth in the Hulk Encumbrance Certificate). Without limitation as to any other rights or actions which the Buyer may enforce against the Seller due to a breach by the Seller of its obligation set forth in the preceding sentence, in the event any such obligation has not been satisfied prior to payment for any Hulk by the Buyer, the Seller hereby agrees that the Buyer may, in lieu of making payments for any Hulks then to be made to the Seller hereunder, pay all or any portion of such payments to one or more holders of obligations secured by such encumbrances to the extent necessary to satisfy such obligations in full and to remove such encumbrances.

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the undertakings and agreements herein made on the part of the Buyer, are made and intended not as personal undertakings and agreements by American Security and Trust Company, N.A. or for the purpose or with the intention of binding said corporation personally but are made and intended for the purpose of binding only the Trust Estate as such term is used in the Trust Agreement hereinabove referred to, and this Agreement is executed and accepted by said corporation not in its own right but solely in the exercise of the powers expressly conferred



upon it as trustee under the Trust Agreement; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against said corporation or the trustor hereinabove referred to on account of this Agreement or on account of any representation, undertaking or agreement of said corporation or the trustor, either express or implied, all such personal liability, if any, being expressly waived and released by the Seller and by all persons claiming by, through or under the Seller; provided, however, that the Seller or any person claiming by, through or under any of it, making claim hereunder, may look to said Trust Estate for satisfaction of the same.


This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. It shall not be necessary that any counterpart be signed by both parties so long as each party shall sign at least one counterpart. This Agreement shall be valid, binding and effective at such time as the Agent shall have received (or as to which the Agent shall have received attested telegraphic communication confirming execution of) counterparts executed by the Buyer and Seller.

If the foregoing arrangement concerning sale of the Hulks is satisfactory to the Buyer, please confirm by signing each of the enclosed counterparts of this letter, returning one to the Seller, delivering one to the Agent and giving the telegraphic confirmation of execution to the Agent as aforesaid.

Very truly yours,

LOUISVILLE AND NASHVILLE RAILROAD  
COMPANY,

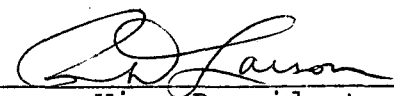
by

  
Asst. Vice President

Accepted as of the date  
first set forth above.

American Security ~~and Trust Company~~ <sup>BANK</sup>, N.A.,  
as Trustee,

by

  
Vice President

Attest:

  
Assistant Secretary.

# HULK PURCHASE AGREEMENT

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			12501		
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			99762		
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